

**Testimony Presented to the Commerce Committee  
of the Connecticut General Assembly**

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**SB 838—An Act Establishing a Fund for Bioscience Innovation**

Good morning Senator LeBeau, Representative Perone, Senator Frantz, Representative Lavielle and other members of the Commerce Committee.

I'm Paul Pescatello, President of Connecticut United for Research Excellence—CURE.

Thank you for this opportunity to testify in support of Senate Bill 838—An Act Establishing a Fund for Bioscience Innovation.

CURE's mission is to represent and foster the growth of Connecticut life sciences research and life sciences technology transfer—to support the cluster of biotechnology and biopharma companies that we and all of you in the General Assembly have worked so hard to build.

CURE represents Connecticut's life sciences sector—research institutions like the University of Connecticut and Yale, the state's cluster of young and innovative biotech companies, Connecticut's large, established biopharmaceutical companies and the people and firms who aide and supply CURE's core bioscience research and development members.

We are advocates of the research done by our members and the fruits of that research—new and better treatments and cures and dramatic economic impact.

That's why I'm here today to support *An Act Establishing a Fund for Bioscience Innovation* and the issuance of General Obligation Bonds to make possible the array of bioscience investments described in the SB 838.

This legislation plays to our natural strengths and track record in sophisticated bioscience research. It will foster the translation of that research into development of new medicines and devices.

And the bill creates opportunities in a field—bioscience—with unrivalled economic impact.

Let me just begin with a brief statement about the “why” of bioscience.

Simply put, bioscience is a wise investment that generates rich dividends.

This is especially the case for a state like Connecticut. A state whose assets are its patents, its intellectual property, its expertise in high value added R&D and its talent pool—men and women ready and able to take the jobs created by bioscience, from lab technicians to lead Ph.D. scientists.

No industry invests or exports more.

It creates great jobs—jobs with robust benefits that aren't easily outsourced.

The multiplier effect of each biopharma dollar expended in a state—the ripple effect across the state's economy is greater for biopharma than any other industry.

Given the huge capital investments and outlays biopharma R&D requires, the good jobs the sector creates are actually less important than the value of all its spending on all sorts of things within a state's borders.

Now, as to the “why” of this specific legislation and the Innovation Fund it creates, I would begin with a question I am often asked—what is the most important catalyst for causing bioscience to take hold and grow with a region?

The answer is that bioscience occurs in proximity to other bioscience. A critical mass of research, of companies, of suppliers is the best predictor of where investors and scientific founders setup shop for a new biotech company.

So, the quality and quantity of basic research produced by our universities is important.

Home grown venture capital is important—VCs are much more likely to start new companies close by to their offices. They want to be able to “kick the tires” of their investment—walk into their companies, talk with management face-to-face, check out what's going on in the lab.

But in the end, geographic critical mass is what matters most. Increasingly biopharma companies believe that being near bioscience research and lab suppliers, as well as among their competitors—being part of the intellectual ferment of numerous start-ups, larger established companies, hospitals, universities and research institutions, suppliers—promotes innovation in a way that is unattainable in isolation.

This is what SB 838 does. It will fund investment in research and people and companies that are focused on commercializable bioscience.

It allows for investment in university research to be sure, but all importantly it also aims to foster investment in for-profit start-up and early stage companies.

SB 838 will broaden the depth and breadth of Connecticut bioscience. It will help keep companies here and draw new companies and research and researchers to the state.

I urge you to approve *An Act Establishing a Fund for Bioscience Innovation*.

I would be happy to answer any questions you may have or elaborate any of the points I have made today.

Thank you.

